



CITY OF MILWAUKEE

AFFORDABLE SCATTERED-SITE HOUSING OPPORTUNITIES

The Department of City Development (DCD) is soliciting proposals from experienced Low Income Housing Tax Credit (LITHC) developers for the purchase and rehabilitation of City tax-foreclose houses for a 2013 WHEDA tax credit application. The City properties offer opportunities for both housing rehabilitation and new home construction in four neighborhoods: Harambee, Sherman Park/Metcalf Park, Washington Park/Walnut Hill and Park West.

The City has packaged a range of properties: duplexes and single-family homes that are suitable for rehabilitation and structures that are recommended for demolition that can be used for new construction or rehabilitation. Buyers are encouraged to supplement the City properties with properties acquired privately such as abandoned properties from private owners or bank foreclosures.

After acceptance, the City will work with developers to refine the property list for submittal with a WHEDA application. After a WHEDA award is made, we will also offer additional properties in the target areas that become available through new foreclosures or vacancy by current occupants.

A short offering period is being presented to allow Buyers sufficient time to prepare a WHEDA application before the February 1st deadline. Purchase proposals must be submitted on or before Tuesday, **December 4, 2012** at 3:00 PM to the DCD Bid desk at 809 North Broadway, 2nd Floor.

Property lists are able on DCD's website at <http://city.milwaukee.gov/CityRealEstate.htm> under "Development Opportunities." Property lists may change if the City acquires additional properties before the submittal deadline, units become available due to vacancy or foreclosure judgments are vacated. Check the website for up-to-date listings.

PROPERTY INSPECTIONS/DEVELOPER REGISTRATIONS

Interested buyers must register with Yves LaPierre in the City's Real Estate Section in order to inspect building interiors. Written permission and instructions must be provided to interested parties. Contact Mr. LaPierre at ylapie@milwaukee.gov or 414-286-5762.

OFFER SUBMITTAL REQUIREMENTS

- Proposal Summary and Public Disclosure Statement (link)
Complete thoroughly. Items to discuss include, but are not limited to:
 - Unit offer price (flat rate for all properties)
 - Estimated average rehabilitation and construction costs.
 - Neighborhood impacts, linkages and community relationships
 - Experience managing rental properties, especially, small scattered site rentals
- Identify your preliminary property selection within the package group on the appropriate spreadsheet.
City understands that properties may be exchanged after a WHEDA award. Final property selection is subject to DCD approval
- List of additional properties that buyer may attempt to acquire privately or identify owners that you may target for purchases or donations (such tax delinquent neighbors or a specific bank).

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PROPOSALS EVALUATIONS

Key evaluation points include, but are not limited to:

- Unit Offering Price
- Successful completion of previous development with special consideration to efforts in the target areas
- Commitment to pursue private property acquisitions or donations to complement properties offered by the City
- Experienced property management staff or partners
- Capacity to prepare a timely WHEDA application, secure tax credits, obtain financing and equity partners, close in a timely fashion and complete project.

DCD staff will notify selected buyers as soon as possible after staff evaluation. All offers and development proposals must be approved by the Common Council, which is expected on January 15, 2013.

PURCHASE REQUIREMENTS

After approval by the Common Council, Buyers will have a limited time period to prepare a WHEDA tax credit application. Upon WHEDA approval, Buyers will have six months to make the final property selection and prepare details scopes of work and rehabilitation plans. Closing should occur on or before December 29, 2013. Sale specifics include:

- Purchase & Sale Agreement to be negotiated executed prior to closing. Sample agreements are available upon request
- Building permits must be obtained for all major work items
- Detailed scope of work must be reviewed and approved by DCD staff prior to closing
- Firm financing, grants and equity must be fully in place before closing
- Conveyance will be by quit claim deed on an “as is, where is” basis
- Buyers must not violate City Buyer Policies
- Buyers must complete City applications for Code Compliance, Occupancy Permit and Property Recordings at closing. State weatherization compliance is required if a Certificate of Compliance has not been previously issued for the property.
- Rehabilitation and construction activities must commence within 30 days following closing and must be completed within 12 to 18 months following closing (length depends on size of purchase package)
- Deeds will contain restrictions requiring performance and prohibiting tax exempt status

CITY BUYER POLICIES

Proposals will be rejected from any party (as an individual or as part of an entity) who:

- Is delinquent in the payment of taxes for property in the City of Milwaukee
- Has outstanding judgments from the City or if the City acquired property-tax-foreclosure judgment
- Has outstanding health or building code violations or orders from the City’s Health Department or Department of Neighborhood Services that are not actively being abated
- Has been convicted of a felony that causes concern with respect to neighborhood stability, health, safety or welfare
- Has outstanding offers to purchase or uncompleted performance on another City sale except upon approval of Commissioner based on history of performance

Tax and court records will also be checked prior to Closing. If any of these conditions are found to exist, the City will terminate the Offer to Purchase.

SMALL BUSINESS ENTERPRISE PROGRAM

Buyers of City properties are encouraged to use City-certified Small Business Enterprises. City goals are for participation of at least 25% of hard construction costs and 18% of Professional Services. Use of City financial assistance may require SBE participation. For program information, visit the website for the City’s Small Business Development Program at <http://city.milwaukee.gov/osbd>